

NCC Farm Policy Accomplishments

Deliver Benefits for Alabama Cotton Producers

January 2025

The National Cotton Council (NCC) works diligently with Congress and the Administration to provide the income support programs and risk management products cotton producers need. Strong financial support from the industry enables the NCC to champion for programs that deliver an annual average of **\$57 million to Alabama producers**. Since 2018, benefits from income support programs, crop insurance and ad hoc assistance averaged **\$122 per acre** annually.

Most recently, the NCC successfully fought for emergency economic assistance for the 2024 crop of upland and ELS cotton, as well as *ad hoc* disaster assistance for both 2023 and 2024 crops.

Since 2018, NCC's advocacy efforts have supported cotton producers by:

- Installing Seed Cotton as a covered commodity eligible for the PLC/ARC programs;
- Delivering support through the Market Facilitation Program (MFP) payments to mitigate the damage from China's retaliatory tariffs;
- Providing significant assistance through the Coronavirus Food Assistance Program (CFAP); and
- Offsetting losses due to natural disasters through WHIP, WHIP+, and ERP.

In 2025, the NCC remains engaged with Congress advocating for the U.S. cotton industry's priorities in the new farm bill. Reference prices must be increased to better reflect current costs of production. Marketing loan enhancements are being sought for upland and ELS cotton. Area-wide insurance programs such as STAX should be available to producers enrolled in PLC. In addition, ongoing support for our domestic textile industry must be enhanced.

With continued production uncertainties amidst extremely challenging economic times, the NCC works for programs that will shore up producer income protection, while boosting the risk management programs for cotton producers. In addition, the NCC remains engaged on a host of trade, tax, and regulatory issues.

As Congress continues developing the next farm bill, the NCC must maintain and increase its membership base. **Your membership dues will make a difference in the NCC's ability to effectively represent the U.S. cotton industry on a wide range of issues.**

Estimated Farm Program Benefits for Alabama Producers

| Program | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 ¹ | 2024 ¹ | 18-24 Avg |
|---------------------------------------|-------|-------|-------|------|------|-------------------|-------------------|-----------|
| (Total Benefits, Million \$) | | | | | | | | |
| Seed Cotton PLC/ARC Payments | \$12 | \$35 | \$17 | \$0 | \$0 | \$0.2 | \$6 | \$10 |
| Area-Wide Insurance Net Indemnities | \$2 | \$1 | \$12 | -\$1 | \$6 | -\$0.4 | \$9 | \$4 |
| Individual Insurance Net Indemnities | \$18 | \$9 | \$18 | \$10 | \$17 | \$19 | \$15 | \$15 |
| Ad Hoc Disaster & Economic Assistance | \$25 | \$75 | \$39 | \$15 | \$3 | TBD ² | \$34 ² | \$27 |
| Total Benefits | \$57 | \$121 | \$86 | \$24 | \$26 | \$19 | \$64 | \$57 |
| (Total Benefits, \$ per Acre) | | | | | | | | |
| Total Benefits per Acre ³ | \$112 | \$223 | \$190 | \$59 | \$61 | \$49 | \$157 | \$122 |

¹/ Estimated values based on latest available data.

²/ Estimates for 2024 reflect economic assistance. Potential disaster assistance payments for the 2023 & 2024 crops are to be determined as more information becomes available.

³/ Area includes cotton planted and prevent plant acres.



7193 Goodlett Farms Parkway
Cordova, TN 38016
(901) 274-9030
www.cotton.org

Producers • Ginners • Warehouseurs • Merchants • Cottonseed • Cooperatives • Manufacturers